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IDAHO PUBLIC  
UTILITIES COMMISSION

June 24, 2014

**VIA OVERNIGHT DELIVERY**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

GNR-T-14-01

RE: **Confidential Financial Information Subject to Protective Order in WC  
Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN  
Docket No. 09-51, WT Docket No. 10-208, Before the Federal  
Communications Commission**

Dear Ms. Dortch:

Midvale Telephone Exchange, Inc. ("MTE"), a privately-held rate-of-return carrier receiving high cost support, has electronically submitted FCC Form 481 to the Commission with redacted financial data, in compliance with 47 C.F.R. §§ 54.313 and 54.422. As specified in the Protective Order issued on November 16, 2012 by the Commission, two copies of the redacted confidential information are being filed simultaneously with the non-redacted confidential information. The redacted information for this filing and each page of the file where confidential information has been omitted is marked "REDACTED - FOR PUBLIC INSPECTION".

Please feel free to contact me with any questions regarding this particular matter.

Sincerely,

John Stuart  
CEO  
Midvale Telephone Exchange, Inc.

Enclosures

.cc Mr. Charles Tyler, FCC Telecommunications Access Policy Division  
**Idaho Public Utilities**  
Arizona Corporation Commission

**"Employee Owned, Community Focused, Customer Centered"**  
*MTE Communications is an equal opportunity provider and employer*



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**CONFIDENTIAL FILING**

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Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN  
Docket No. 09-51, WT Docket No. 10-208, Before the Federal  
Communications Commission**

Dear Ms. Dortch:

Midvale Telephone Exchange, Inc. ("MTE"), a privately-held rate-of-return carrier receiving high cost support, has electronically submitted FCC Form 481 to the Commission with redacted Line 3005 financial data and five-year build out plan in Line 100. MTE respectfully provides the Commission with its confidential financial data so that all its reporting obligations are satisfied. MTE, by its authorized representative, respectfully submits confidential information in compliance with 47 C.F.R. §§ 54.313 and 54.422, under seal, as specified with the Protective Order adopted on November 16, 2012 ("Protective Order") and also in conjunction with 47 C.F.R. §§ 0.457 and 0.459. Further justification for this confidential filing is identified below in accordance with 47 C.F.R. §0.459(b).

MTE requests confidential treatment of certain information submitted with its annual reporting requirements as a privately-held rate of return carrier and high-cost recipient in Docket No. 10-90. The confidential information is required by 47 C.F.R. § 54.313(f)(2) and includes detailed financial information that is competitively sensitive. Disclosure of this confidential information would have a substantial negative impact on MTE. Such information would not normally be made available to the public for inspection because of the financial information and should be afforded confidential treatment under both 47 C.F.R. §§ 0.457 and 0.459.

47 C.F.R. § 049(b): Information provided by MTE includes specific information related to financial data and is subject to protection for the following reasons:

**47 C.F.R. § 0459(b)(1) Identification of the specific information for which  
confidential treatment is sought;**

MTE requests that all financial data, loop/subscriber counts and route mile data be treated on a confidential basis under Exemption 4 of the Freedom of Information Act. MTE maintains this information is confidential, competitively sensitive data not normally made available to the public. Release of this information would have a substantial negative competitive impact on MTE. The non-redacted version of the cover letter for MTE's submission and each page of the file containing confidential information is marked, "CONFIDENTIAL FINANCIAL INFORMATION SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

47 C.F.R. § 0459(b)(2) Identification of the Commission proceeding in which the information was submitted:

The information is being submitted in compliance with 47 C.F.R. § 54.313(f)(2) and is to be filed in WC Docket No. 10-90. Privately held rate of return carriers that receive high-cost support must complete the FCC Form 481 to include a full and complete annual support of the company's financial condition and operations as of the end of the preceding fiscal year (sections of which MTE is requesting be afforded confidential treatment).

47 C.F.R. § 0459(b)(3) Explanation of the degree to which the information is commercial or financial or contains a trade secret or is privileged:

The information designated as confidential is detailed financial information including a balance sheet, income statement, cash flow statement that is competitively sensitive information not normally released to the public. Release of any of this commercial or financial information would have a substantial negative competitive impact on MTE.

47 C.F.R. § 0459(b)(4)&(5) Explanation of the degree to which the information concerns a service that is subject to competition and how disclosure of the information could result in substantial competitive harm:

This type of commercial and financial information is generally not subject to routine public inspection under the Commission's rules (47 C.F.R. § 0.457(d)), demonstrating that the Commission already anticipates that the release of this type of information likely would produce competitive harm. Release of the information designated as confidential would allow competitors to become aware of sensitive proprietary information regarding the operation of MTE's business and would cause MTE substantial competitive harm.

47 C.F.R. § 0459(b)(6)&(7) Identification of measures taken by the Company to prevent unauthorized disclosure: availability of the information to the public and extent of any previous disclosure of the information to third parties:

MTE treats and has treated the non-public information included in this submission as confidential and has protected it from disclosure to parties outside the Company. Any financial information required to be submitted to a state regulatory authority has been

filed as confidential information, not available to the public, in accordance with state rules and/or statutes.

47 C.F.R. § 0459(b)(8) Justification of the period during which the Company asserts that material should not be available for public disclosure;

MTE cannot determine any date on which this information should not be considered confidential. However MTE does believe that this information should be treated confidential for a minimum of 10 years.

47 C.F.R. § 0459(b)(8) Other information the Company believes may be useful in assessing whether its request for confidentiality be granted;

Under applicable Commission rules and court rulings, the information designated by the Company as confidential should be withheld from public disclosure. Exemption 4 of the Freedom of Information Act protects information that is commercial or financial in nature; obtained from a person outside government; and privileged or confidential.

As specified in the Protective Order, two copies of the redacted confidential information are being filed simultaneously with the non-redacted confidential information. The redacted information for this filing and each page of the file where confidential information has been omitted is marked "REDACTED - FOR PUBLIC INSPECTION"

Please feel free to contact me with any questions regarding this particular matter.

Sincerely,



John Stuart  
CEO  
Midvale Telephone Exchange, Inc.

Enclosures

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Idaho Public Utilities  
Arizona Corporation Commission

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**LINE 100**

**REDACTED  
FOR PUBLIC INSPECTION**

## Idaho Service Quality Standards and Consumer Protection Rules Compliance

Midvale Telephone understands and complies with the Idaho Public Utilities Commission's *Telephone Customer Relations Rules*, IDAPA 31.41.01, adopted under the general legal authority of the Public Utilities Law, Chapters 1 through 7, Title 61, Idaho Code, and the Telecommunications Act of 1988, Chapter 6, Title 62, Idaho Code, with regards to service. These telephone customer relations rules provide a set of fair, just, reasonable, and non-discriminatory rules regarding deposits, guarantees, billing, application for service, denial of service, termination of service, complaints to telephone companies, billing for interrupted service, and provisions of certain information about customer to authorities.

## Functionality in Emergency Situations

Pursuant to 47 C.F.R. § 54.313(a)(6) and/or 47 C.F.R § 54.422(b)(4) as set forth in 47 C.F.R. 54.202 (a)(2). Midvale Telephone meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Midvale Telephone's central and or remote office(s) by use of fixed generator and batteries that provide it with a minimum of 24 hours of emergency power service. In addition, Midvale Telephone's field electronics have a minimum of 24 hours of back-up power by use of fixed/mobile generators and batteries. Midvale Telephone also has SONET technology in its network that allows for self-healing network should a fiber cut occur in its core network and will automatically reroute traffic. Midvale Telephone also has 2 redundant paths within its network to provide for the capability to reroute traffic. Midvale Telephone has equipped its remote offices with Emergency Stand Alone technology that will provide for call completion and access to 911 in emergency situations. Midvale Telephone is capable of managing traffic spikes resulting from emergency situations.

Response to Line 1000  
MTE Communications  
Study Area 472226

### Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10 ) MTE Communications (MTE) is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$46.96 as specified in Public Notice DA 14-384 issued on March 20, 2014. MTE's current total local end-user rate<sup>1</sup> of \$25.76 is not above the standard deviation as specified in the USF/ICC Transformation Order.<sup>2</sup>

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<sup>1</sup> Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

<sup>2</sup> USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

**LINE 700**

**REDACTED**  
**FOR PUBLIC INSPECTION**

**LINE 710**

**REDACTED**  
**FOR PUBLIC INSPECTION**

Midvale Telephone Company  
Customer Service Contact: (800) 462-4523

Idaho Public Utilities Commission

Tariff Number 4

Original Sheet Number: 62

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Aug. 13, 2012** **Aug. 27, 2012**  
**Jean D. Jewell Secretary**

#### IV. LIFELINE

##### A. GENERAL

A federal program applicable to qualifying low-income subscribers to single party residential service of the Company.

##### B. RATES

1. Baseline Lifeline is a reduction or credit in the local service charges normally paid by qualifying low-income consumers. The reduction to the normal residential one-party rates are as established by the Federal Communications Commission (FCC).

These reductions or credits are from the normal residential one-party service subscribed to by the consumer.

In addition to the Federal Service Discount, the State may provide an additional discount for eligible consumers, pursuant to Idaho code Title 56, Chapter 9.

In no case will the discount exceed the rate charged for the service subscribed to by each individual.

##### C. ELIGIBILITY REQUIREMENTS

1. To qualify for Lifeline Service, an applicant must meet all of the requirements established by the FCC.
  - a. The consumer must be a head of household whose gross income is at or below one hundred and thirty-five percent (135%) of the Federal Poverty Limit.
  - b. The customer must be recertified annually by the appropriate state agency.
  - c. The premises at which the residential service is requested is the applicant's principle place of residence.

Issued July 27, 2012

Effective August 27, 2012

Issued by Midvale Telephone Company

By: Stephen G. Child

Title: CEO

Midvale Telephone Company  
Customer Service Contact: (800) 462-4523

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Aug. 13, 2012** **Aug. 27, 2012**  
**Jean D. Jewell Secretary**

Idaho Public Utilities Commission

Tariff Number 4

Original Sheet Number: 63

#### **IV. LIFELINE (CONTINUED)**

##### **C. ELIGIBILITY REQUIREMENTS, (CONTINUED)**

- d. Only one telephone line (wireline or wireless) per household is eligible for the credit. A "household" is any individual or group of individuals, related and unrelated, who are living together at the same address as one economic unit. An "economic unit" consists of all adult individuals contributing to and sharing in the income and expenses of a household.

##### **E. REGULATIONS**

1. The regular service connection charge, move and change charge, and regulations applicable to the service offerings specified in the tariff will apply. The service connection charge and move and change charge to change to or from this program due to eligibility status will be waived.
2. The Company will offer Lifeline assistance only during such periods as reimbursement of the discount is available to the Company from Federal and/or State revenue sources.

#### **V. IDAHO TELECOMMUNICATIONS SERVICE ASSISTANCE PROGRAM (ITSAP)**

- A. A state program applicable to qualifying low-income residential subscribers ITSAP provides eligible recipients with a reduction in costs of residential basic local exchange telephone service.

##### **B. SURCHARGE RATES**

The monthly surcharge is set at the amount ordered by the Idaho Public Utilities Commission.

Issued July 27, 2012

Effective August 27, 2012

Issued by Midvale Telephone Company

By: Stephen G. Child

Title: CEO

Midvale Telephone Company  
Customer Service Contact: (800) 462-4523

Idaho Public Utilities Commission

Tariff Number 4

Original Sheet Number: 64

**IDAHO PUBLIC UTILITIES COMMISSION**  
**Approved** **Effective**  
**Aug. 13, 2012** **Aug. 27, 2012**  
**Jean D. Jewell Secretary**

#### **IV. ITSAP (CONTINUED)**

##### **C. CONDITIONS**

1. A surcharge assessed on all access lines to contribute toward funding for the Idaho Telecommunications Service Assistance Program (ITSAP). The ITSAP surcharge will not be assessed on ITSAP-eligible subscribers' bills
2. The surcharge rate will remain in effect until otherwise modified, canceled, or changed by the Commission.

#### **VI. IDAHO UNIVERSAL SERVICE FUND SURCHARGE**

##### **A. RATES**

The monthly surcharge is set at the amount ordered by the Idaho Public Utilities Commission.

##### **B. CONDITIONS**

A surcharge assessed on all access lines to contribute toward funding for an Idaho Universal Service Fund.

The surcharge rate will remain in effect until otherwise modified, canceled, or changed by the Commission.

#### **VIII. CONCURRENCES**

Midvale Telephone Company concurs in the filed tariffs of the Mountain States Telephone and Telegraph Company dba CenturyLink, together with amendments and successive issues thereof, for the purpose of providing message toll telephone service between its points when no other telephone company jointly provides the message toll service with the Company.

Issued July 27, 2012

Effective August 27, 2012

Issued by Midvale Telephone Company

By: Stephen G. Child

Title: CEO

**LINE 3005**

**REDACTED**  
**FOR PUBLIC INSPECTION**